

Message Text

LIMITED OFFICIAL USE

PAGE 01 LIMA 07750 141815Z

40

ACTION ARA-20

INFO OCT-01 ISO-00 PM-07 L-03 NSC-07 CIAE-00 DODE-00

INR-11 NSAE-00 PA-04 RSC-01 USIA-15 PRS-01 SP-03 EB-11

AID-20 TRSE-00 OPIC-12 COM-08 CIEP-03 OMB-01 CEA-02

FRB-03 DRC-01 /134 W

----- 019397

P R 141559Z SEP 74

FM AMEMBASSY LIMA

TO SECSTATE WASHDC PRIORITY 1917

INFO AMEMBASSY BOGOTA

AMEMBASSY CARACAS

AMEMBASSY LA PAZ

AMEMBASSY QUITO

AMEMBASSY SANTIAGO

LIMITED OFFICIAL USE LIMA 7750

E.O. 11652: N/A

TAGS: ECON, ECIN, EINV, CO, VE, EC, CI, PE

SUBJECT: ANDEAN PACT: CONFRONTATION WITH CHILE OVER
FOREIGN INVESTMENT LAW

1. COMMISSION MEETING HAD BEEN SCHEDULED TO OPEN SEPTEMBER 9 BUT WAS NOT CALLED INTO SESSION UNTIL SEPTEMBER 11. AGENDA WAS FINALLY REVISED TO EXCLUDE PENDING INDUSTRIAL PROGRAM PROPOSALS (I.E. PETROCHEMICAL, FERTILIZER AND AUTOMOTIVE INDUSTRIES.) AND CONCENTRATED ALMOST EXCLUSIVELY ON ANDEAN FOREIGN INVESTMENT CODE.

2. JUNTA HAD PREPARED ANALYSIS OF IMPLEMENTATION OF DECISION 24 IN THE MEMBER COUNTRIES. SINCE CHILE HAD INSISTED THAT DISCUSSION COVER IMPLEMENTATION PROBLEMS IN ALL SIX COUNTRIES, CHILEAN DELEGATION WAS DISMAYED THAT NINE PAGES OUT OF ELEVEN PAGE JUNTA REPORT DEALT EXCLUSIVELY WITH CHILEAN DECREE LAW 600.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 LIMA 07750 141815Z

3. JUNTA ALSO PRESENTED RECOMMENDATION ON HOW TO RESOLVE CHILEAN PROBLEM. REPORTEDLY, IT CALLED ON CHILE TO CLARIFY LEGALITY OF DECISION 24 IN CHILE. SECONDLY, IT REPORTEDLY RECOMMENDED AN AMPLIFICATION OF ART. 19 OF DECREE LAW 600 TO STATE SPECIFICALLY THAT DECISION 24 WOULD BE APPLIED IN CONTRACT NEGOTIATIONS. CHILEANS REPORTEDLY AGREED THAT THEIR GOVERNMENT WOULD STUDY AND CONSIDER THESE RECOMMENDATIONS.

4. DURING EVENING SESSION SEPTEMBER 12 DISCUSSION AGAIN DETERIORATED INTO DIRECT ATTACKS ON CHILEAN LAW. AT 9:00 P.M. CHILEANS WALKED OUT OF MEETING. ON SEPTEMBER 13 CHILEANS MADE BILATERAL CONTACTS WITH NATIONAL DELEGATIONS. AT NOON THEY HAD A LENGTHY MEETING WITH PERU'S INTEGRATION CHIEF. PERU HAS REPORTEDLY BEEN RATHER RESTRAINED IN ATTACKS ON CHILEAN POSITION.

5. COMMENT: POSSIBILITY EXISTS THAT CHILEANS WILL REJOIN COMMISSION SESSION LATE SEPTEMBER 13. SITUATION REMAINS TENSE, BUT WITHDRAWAL OF CHILE FROM ANDEAN PACT NOT ANTICIPATED.

DEAN

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: MEETING AGENDA, INVESTMENT LAW, FOREIGN POLICY POSITION, FOREIGN INVESTMENTS, MEETING DELEGATIONS
Control Number: n/a
Copy: SINGLE
Draft Date: 14 SEP 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: kelleyw0
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974LIMA07750
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D740258-0176
From: LIMA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740945/aaaablua.tel
Line Count: 83
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION ARA
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: kelleyw0
Review Comment: n/a
Review Content Flags:
Review Date: 09 SEP 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <09 SEP 2002 by boyleja>; APPROVED <13 MAR 2003 by kelleyw0>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: ANDEAN PACT: CONFRONTATION WITH CHILE OVER FOREIGN INVESTMENT LAW
TAGS: ECON, ECIN, EINV, CO, VE, EC, CI, PE, ANDEAN PACT COMMISSION
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005